

QUONSET DEVELOPMENT CORPORATION
MEETING OF BOARD OF DIRECTORS

February 18, 2014

PUBLIC SESSION MINUTES

A meeting of the Board of Directors of the Quonset Development Corporation (the “Corporation”) was held at 4:30 p.m. on Tuesday, February 18, 2014, at the offices of the Corporation located at 95 Cripe Street, North Kingstown, Rhode Island, pursuant to notice to all members of the Board of Directors and a public notice of the meeting as required by the Bylaws of the Corporation and applicable Rhode Island Law.

The following members constituting a quorum were present and participated throughout the meeting as indicated: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, Marcel A. Valois, and Richard A. Welch. Absent were: Kas R. DeCarvalho, John G. Laramée, and Anthony F. Miccolis, Jr. Also present were: Steven J. King, P.E., Managing Director; E. Jerome Batty, Secretary and the Corporation’s staff and members of the public.

1. CALL TO ORDER:

The meeting was called to order at 4:38 p.m. by Chairman Marcel Valois.

2. APPROVAL OF MINUTES:

Upon motion duly made by Ms. Jackson and seconded by Mr. Berson, the Board:

VOTED: To approve the Public Session and Executive Session minutes of the January 28, 2014 meeting, as presented.

Voting in favor were: Guy Asadorian, Jr., James Berson, Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

Mr. Breslin joined the meeting at 4:42 pm.

3. STAFF REPORTS:

Mr. King reviewed the staff reports with the Board.

4. APPROVALS:

A. Approval of a Lease Agreement with Bella Energy, Finance for 500kw Solar Farm:

Mr. King asked Katherine Trapani, Quonset Development Corporation's planning manager, to brief the Board of Directors on the proposed land lease and option for Bella Energy, Finance ("Bella Energy").

Ms. Trapani explained that Bella Energy is interested in building a 500kw solar farm very similar to the NK Solar project approved by the Board in December; and also much like NK Solar, Bella Energy is also entering into a solar energy contract with National Grid. Ms. Trapani stated that the Corporation has identified a 5.19 acre site at 574 Camp Avenue with marginal potential for use due to many site constrictions including wetlands on the western edge, sloping issues, and ground well monitoring. Ms. Trapani also noted that the property is only accessible from Camp Avenue.

Mr. Welch expressed some concerns about the site, recalling the property as having contaminated soil. Mr. King explained that the site to which Mr. Welch was referring, is actually in phase II of the project and would fall under the option portion of the agreement. The area was used by the Army as a landfill years ago but has since been

capped by the Army Corp of Engineers. Mr. King stated that there have been discussions about racking systems that can be utilized that will prevent the solar panels from penetrating the ground should Bella Energy exercise their lease option to expand.

Ms. Trapani continued by stating the Corporation will base rent on megawatt of power generated instead of pricing per acre due to all the land constraints. The lease payment will be \$9,516.52 per year for 15 years with two 5-year options to extend. Mr. King noted that under the contract Bella Energy signed with National Grid they will actually only earn \$0.14 per kilowatt hour versus the \$0.19 per kilowatt hour that NK Solar was earning. Also in the lease agreement, Bella Energy was also given 2 land lease options for phase II of their project. Bella Energy has since determined that one option had too many constraints and therefore, will have only an option to lease Plat 179, Lot 30 at 594 Camp Avenue consisting of 14.15 acres for an additional \$950.00 per year.

Ms. Trapani noted that the site, upon completion would offer no extra traffic along Camp Avenue and would consist of only solar panels which would have a vegetative buffer. There was concern among the Board members, that the Camp Avenue neighbors might be upset by the construction so close to their neighborhood. Mr. King noted that there would be no lights, no noise, and no additional traffic or personnel on the site, but stated that the Corporation would make Bella Energy's lease contingent upon having a meeting with the

Camp Avenue neighbors.

Upon motion duly made by Mr. Berson and seconded by Ms. Jackson, the Board:

VOTED: That the Corporation acting by and through its Chair, Vice-chair, Managing Director or Finance Director, each of them acting alone (the “Authorized Officers”) is hereby authorized to enter into, execute and deliver a Lease and other agreements related thereto with Bella Energy Finance, or an affiliated entity for the Lease of an approximately 5.19 acres on Camp Avenue, substantially in accordance with the Request for Board Authorization presented to the Board (the Lease and related documents are referred to herein collectively as the “Agreements”).

VOTED: That each of the Authorized Officers, acting singularly and alone, be and each of them hereby is authorized, empowered and directed to effectuate the intent of the foregoing resolutions by executing, delivering and performing any and all modifications, renewals, confirmations and variations of the Agreements or as any of the Authorized Officers acting singularly and alone shall deem necessary, desirable and without further specific action by this Board, and empowered and directed to prepare or cause to be prepared and to execute, perform and deliver in the name and on behalf of the Corporation the Agreements and/or all related and

ancillary agreements and documents in connection with the terms and conditions to be effectuated by the Agreements, including any and all agreements, contracts, certificates, licenses, assignments, and memorandums upon such terms and conditions and with such changes, additions, deletions, supplements and amendments thereto as the Authorized Officer executing or authorizing the use of the same and shall determine to be necessary, desirable and appropriate and in the best interest of the Corporation.

VOTED: That in connection with any and/or all of the above resolutions, the taking of any action, the executed and delivery of any instrument, document or agreement by any of the Authorized Officers in connection with the implementation of any or all of the foregoing resolutions shall be conclusive of such Authorized Officer's determination that the same was necessary, desirable and appropriate and in the best interest of the Corporation.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved

5. MOTION TO ADJOURN TO EXECUTIVE SESSION:

Upon motion duly made by Mr. Berson and seconded by Ms. Dolan, the Board:

VOTED: To adjourn to Executive Session pursuant to Subsection (6) – (Location of Prospective Businesses in Rhode Island) of the RIGL §42-46-5(a) (the “Open Meetings Law”).

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

The meeting adjourned to Executive Session at 4:56 p.m. The meeting reconvened in Public Session at 5:30 p.m.

7. VOTE TO MAINTAIN MINUTES OF EXECUTIVE SESSION CLOSED:

Upon motion duly made by Mr. Berson and seconded by Mr. Welch, the Board:

VOTED: Pursuant to Section 42-46-4 and 42-46-5 of the General

Laws, the minutes of the Executive Session shall not be made available to the public at the next regularly scheduled meeting of the Corporation because such disclosure may adversely impact ongoing negotiations.

Voting in favor were: Guy Asadorian, Jr., James Berson, Robert H. Breslin, Jr., Elizabeth Dolan, Barbara Jackson, James Rugh, and Richard A. Welch.

Voting Against were: None.

Unanimously Approved.

8. ADJOURNMENT:

Upon motion duly made by Mr. Berson and seconded by Mr. Breslin, the meeting adjourned at 5:31 p.m.

Respectfully submitted:

**By: _____
Secretary**

E. Jerome Batty,